

**TOWN OF SALEM
BOARD OF FINANCE
REGULAR MEETING MINUTES
WEDNESDAY, MAY 14, 2015 – 7:00 P.M.
SALEM TOWN OFFICE BUILDING**

PRESENT

TJ Butcher, Chairman
Carole Eckart
Janet Griggs
George Householder
David Kennedy
Robert Sartori
Hernan Salas, Alternate

ABSENT

John Dolan, Alternate
Jenifer Lee, Alternate

GUESTS

none

ALSO PRESENT:

First Selectman Kevin Lyden

CALL TO ORDER:

Chairman Butcher called the meeting to order at 7:12 p.m.

RECOGNITION OF VISITORS: *none*

SEAT ALTERNATE IF NEEDED: *none*

COMMUNICATIONS:

A notification from O'Connor Davies, dated April 30, regarding the completion of their Audit report was received.

ADDITIONS TO THE AGENDA:

The following additions were made to the Agenda:

- Item 7 Brief Liaison Report (Board Member Kennedy)
- Item 8 Discussion of the Capital Plan (Chairman Butcher)

AGENDA:

1. APPROVAL OF MINUTES: APRIL 9, 2015 BOARD OF FINANCE MEETING

M/S/C – Kennedy/Griggs to approve the Regular Meeting Minutes of April 9, 2015 as submitted. Discussion: None. Voice vote, 6-0, all in favor.

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2. Treasurer's Reports (*See File Copy*)

- a. REVENUE SUMMARY**
- b. TRIAL BALANCE**
- c. FUND BALANCE**
- d. OTHER**

Treasurer Pam Henry reviewed and reported on a positive *General Fund Balance Sheet* and *Revenue Receipts* report, having received 100.2% of the General Property Tax, 100.5% of the Total Property Tax, and Total Revenue of 100.6% for the current year.

The *General Fund Budget vs. Actual Report* was also presented and reviewed. The Town generated \$1,759,102.98 in April 2015. A number of Grants, including State/Federal Grants and Education Grants, were received as well as funds received from licenses, permits, revenues, charges for services, and other various miscellaneous revenues. She will investigate the derivation of the funds received for Insurance Claims/Refunds.

An unofficial/unaudited *General Fund Additional Appropriations* Report was also reviewed.

The Board Members were pleased with the numbers and expressed their appreciation to Ms. Henry for the reports.

3. PUBLIC COMMENTS – *none*

4. SELECTMAN'S REPORT

First Selectman Kevin Lyden reported that he received a notification regarding the receipt of a \$22,000.00 (twenty-two thousand dollars) grant for the Nutmeg Network, which will cover the funds necessary to connect them to the school and one (1) year of services.

He commended the Board on an excellent job in creating a very fair budget. Board Member Griggs recognized Chairman Butcher and Board Member Eckart for providing a simple, clear, and easy-to-follow explanation of the budget.

In response to Chairman Butcher, First Selectman Lyden confirmed the receipt of the pre-audit report by O'Connor Davies. The new Finance Director and Liaison CPA Cheryl Miller make a good team and are available to answer any questions they might have. He, too, was unsure of the derivation of the Insurance Claims/Refunds line item in the budget report. He will check with the Registrar to investigate whether any questions, suggestions, and/or comments were received in the Suggestion Box.

The Farmers Market provided a good introduction to the Pavilion and has resulted in, to date, approximately twelve (12) reservations. They have received positive feedback on the recent dog show, which they hope will be an annual event. The Vintage Market will be hosting their third annual event at the Pavilion as well as the Historical Society in addition to birthday parties, graduation celebration(s), and a wedding. The rental fee is \$40.00 (forty dollars) for four hours plus a \$50.00 (fifty dollars) deposit fee for residents. The price is double for non-residents. Approximately seven (7) acres is cleared and more can be cleared, if necessary. Income is also being received for the rental of part of the property for the cornfield, which is improving the quality of the soil on the property.

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He has received concerns regarding and, as such, is investigating the possibility of developing senior housing and the establishing a blight ordinance.

5. REFERENDUM – DISCUSSION – SET MILL RATE

Chairman Butcher reviewed the responses to the following referendum questions:

1. Do you support the budget?

Yes: 116

No: 49

Total Voters: 165

2. Do you feel the Town Budget and Capital Budget are

Too High: 46

Too Low: 9

Just Right: 105

Blanks: 5

3. Do you feel the Board of Education is:

Too High: 91

Too Low: 16

Just Right: 51

Blanks: 5

The Board commended everyone for doing a good job with their budget and expressed their appreciation for the cooperation they received, helping create a smooth process. They will continue to scrutinize the budget and stressed the importance for the Board of Education to continue working on their public relations. They look forward to reviewing the results of the study in hopes that it will help clarify and provide a mandate and direction.

Discussion ensued regarding the setting of the mill rate. It was agreed to utilize the \$200,000 in the Capital Reserve Fund, rather than the Unassigned Balance Fund, to fund the trail. The funds can, then, be reimbursed once the Grant is received. It was clarified that the item noted in the budget as Gear House for the Salem Volunteer Fire Department's Capital 10-Year Plan should read Gear and Hoses for the Salem Volunteer & Gardner Lake Fire Departments.

M/S/C - Householder/Kennedy, to set the mill rate at 31.7. Discussion: None. Voice vote, 6-0, all in favor.

6. ADDITIONAL APPROPRIATION – CAPITAL NON-RECURRING (CNR) ROAD REPAIRS \$21,000

First Selectman Lyden stated that the \$21,000.00 (twenty-one thousand dollars), which was the amount overspent for salt and sand, for Road Repairs would balance out the budget for the Public Works Department. Having already requested \$28,000.00 (twenty-eight thousand dollars), he is recommending that the funds come out of the CNR account. They are expecting approximately \$35,000.00 (thirty-five thousand dollars) in FEMA funds, which they expect to receive by year's end and will be going into the General Fund. It was agreed to deposit \$21,000.00 (twenty-one thousand dollars) of the funds received by FEMA into the Grant Fund and utilize those funds for the road repairs.

7. BRIEF LIAISON REPORT (Board Member Kennedy)

Board Member Kennedy reported that the Gardner Lake Volunteer Fire Company hosted a *First Five Recruitment Training*, a statewide program to help fire service personnel recruit and interact

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with potential volunteers. He applauded Fire Chief Jim Savalle for applying for and receiving the FEMA grant for the event, which was attended by 17 (seventeen) fire companies. Concerned with possible liability issues, should they wish to continue to fund and utilize the property for training exercises, he recommended the Town consider having the building certified under the National Fire Protection Association (NFPA) 1403 Firefighter Code. In Response to Board Member Householder's recommendation to utilize the \$30,000.00 (thirty-thousand dollars) in their Capital Plan, which was approved for the exterior of the Firehouse, towards the certification and freezing the project until the issue is resolved, First Selectman Lyden stated that, because the budget has already been approved, a request will need to be made to and approved by the Board of Selectmen regarding the utilization of those funds for an alternative purpose(s).

M/S/C - Eckart/Householder, to approve Board Members Kennedy and Griggs and the two Fire Chiefs to meet with the First Selectman to assess the risk(s) and make recommendations regarding moving forward with the building. Discussion: None. Voice vote, 6-0, all in favor.

8. DISCUSSION OF THE CAPITAL PLAN (Chairman Butcher)

In reviewing the Capital Plan, Chairman Butcher, in an effort to be better prepared and informed, proposed the Board begin meeting and working with the various Boards, Commissions, and Departments, with the exception of the Fire Department, which is currently undergoing a study, to develop a solid 10-year Capital Plan. Such planning will aid not only the Town and the Board, but also the departments, to better prepare and plan for large projects and accomplish their goals by setting aside funds. Items should not be included in their 10-year plan without the approval of the Board. Additionally, it should be made clear that items on the 10-year plan are not guaranteed for funding. Any emergency funding should come out of the Unassigned Fund Balance.

Discussion ensued regarding the importance of educating, discussing, coming to an agreement, and working together to plan for the future. Chairman Butcher proposed they begin inviting the Boards, Commissions, and Department Heads to discuss the Capital Plan and the Board research and invited the Board to present their ideas and discuss the procedure they would like to embark upon at their next meeting. He requested the item be included on the Board's next Agenda.

OLD BUSINESS: *none*

M/S/C - Householder/Kennedy, to adjourn the meeting at 9:03 p.m. Discussion: None. Voice vote, 6-0, all in favor. Meeting Adjourned.

Respectfully Submitted by:

Agnes Miyuki, Recording Secretary for the Town of Salem